FINANCIAL NEWS

Losers whip gainers 3-1 as Index plummets 3.5 pts.

By Don Jeffrey

NEW YORK — Reflecting a weak overall stock market, the *Nation's Restaurant News* Food-Service Operators Stock Index plunged 3.5 points in the week ended May 3, closing at 118.

Declining issues on the full, 112-stock *NRN* list, overwhelmed advancing issues, 62 to 21, with 29 unchanged in price.

The Dow Jones Industrial Average dropped 27.94 points in the week, closing at 1,247.24. Investors were disappointed about low corporate profits, sluggish economic growth and the unresolved trade-deficit problem.

Calibre Corp. led the percentage price gainers, up 13¢, to close at 88¢. No widely held food-service stock performed well in the week.

Folks Restaurants, a Po Folks franchisee, had the biggest weekly volume surge over the previous 12-week average, with 15,600 shares changing hands.

Fuddruckers led the percentage-price decliners, down $1.38, to close at $7.

VOLUME TREND LEADERS

Company Name		Volume Trend Change %	Company Name		Volume Trend Change %
Folks Rest	O	420.0	Fresher Cooker	O	112.8
Family Showtime	O	312.5	Luby's Cafe	N	100.0
Karcher Carl	M	185.8	Sonesta Intl	M	100.0
Shoney's South	M	151.8	Natl Pizza	M	73.7
Horn & Hardart	A	145.3	Benihana Natl	M	71.2

TOP TEN GAINERS

Company Name		Weekly Price Change %	Company Name		Weekly Price Change %
Calibre Cp	M	16.7	1 Potato 2	O	7.7
Kapok Cp	A	15.8	Maverick Rest	O	3.8
Intl Dairy Queen	O	14.0	Pancho Mex Buffet	M	3.5
Good Taco	M	10.0	Am Restaurants	O	3.2
Horn & Hardart	A	8.4	Capt Crab	M	3.0

TOP TEN LOSERS

Company Name		Weekly Price Change %	Company Name		Weekly Price Change %
Fuddruckers Inc	M	- 16.4	Lifestyle Rest	A	- 10.0
Brock Hotel Cp	N	- 13.6	Karcher Carl	M	- 9.9
Acapulco Rests	M	- 11.6	DiLites Of Amer	M	- 8.8
Esteban Foods	O	- 11.1	Benihana Natl	M	- 8.2
Victoria Stations	M	- 10.0	Collins Foods	N	- 8.1

		Stock Market											Financial Update															
		Price						Volume							Latest Report			Latest Quarter						Year-to-Date					
Company and Market		5-03-85 Close	Weekly Change Amt.	Weekly Change Pct.	Weekly Range High	Weekly Range Low	52-Week Range High	52-Week Range Low	Weekly Shares Traded Total	Weekly Shares Traded % Out	12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	New Report	Period	Date Ended	Revenue Amt.	Revenue Chg.	Net Income Amt.	Net Income Chg.	E.P.S. Amt.	E.P.S. Chg.	Revenue Amt.	Revenue Chg.	Net Income Amt.	Net Income Chg.	E.P.S. Amt.	E.P.S. Chg.
		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$MM	%	$MM	%	$	%	$MM	%	$MM	%	$	%
Food-Service Operators																													
A&M Food Svcs	M	5.75	- .38	- 6.1	6.13	5.63	7.50	3.50	98	.27	1.29	- 79.1	18.0	.00	.0	—	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests	M	4.75	- .63	- 11.6	5.38	4.75	5.38	3.50	170	.69	.89	- 22.5	16.4	.00	.0	—	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants	O	4.00	.13	3.2	4.13	3.88	6.00	2.38	33	.14	.39	- 64.1	30.8	.00	.0	—	fiscal	01-85	4.5	4.7	.0	- 100.0	.01	- 85.7	18.1	19.9	.3	- 25.0	.13	- 51.9
Assoc Hosts	M	12.63	.00	.0	12.75	12.25	17.13	10.88	987	2.23	2.23	.0	15.2	.12	1.0	—	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Benihana Natl	M	18.25	- 1.63	- 8.2	18.88	17.13	21.75	10.25	2,195	7.55	4.41	71.2	19.8	.00	.0	—	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms	M	20.75	.25	1.2	20.75	20.25	20.75	14.75	1,895	1.04	1.11	- 6.3	19.2	.30	1.4	—	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp	M	.88	.13	16.7	1.13	0.88	5.50	.63	118	.39	.27	44.4	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food	M	12.50	- .13	- 1.0	12.63	12.50	13.25	7.25	1,085	2.39	2.55	- 6.3	20.5	.16	1.3	—	9 mos.	11-84	13.6	32.0	.9	28.6	.19	18.8	38.6	27.4	2.3	43.8	.50	22.0
Capt Crab	M	2.13	.06	3.0	2.13	1.94	5.00	1.38	3,623	2.37	2.14	10.7	NE	.00	.0	—	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp	N	9.63	- .25	- 2.5	9.88	9.50	11.50	7.88	336	.43	.65	- 33.8	13.0	.07	.7	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's	M	9.88	- .13	- 1.3	9.88	9.63	18.25	9.63	3,579	1.33	2.84	- 53.2	15.7	.00	.0	—	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc	M	26.88	- 1.00	- 3.6	27.88	26.50	28.88	12.75	1,812	3.90	2.60	50.0	34.9	.00	.0		9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch	N	17.25	- .88	- 4.8	18.50	17.00	19.25	11.38	2,133	.57	1.60	- 64.4	14.9	.44	2.6	—	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods	N	19.88	- 1.75	- 8.1	21.50	19.75	23.00	10.50	1,015	.77	1.11	- 30.6	15.1	.16	.8	—	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev	O	12.63	.13	1.0	13.13	12.50	16.50	5.75	1,172	2.27	1.53	48.4	16.4	.00a	.0	—	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Profts	M	4.75	.00	.0	4.75	4.63	6.13	4.63	23	.06	.21	- 80.6	13.6	.08	1.7	—	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant	M	4.75	- .25	- 5.0	4.88	4.63	13.50	4.50	472	1.04	1.55	- 32.9	NE	.00	.0	—	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel	M	13.00	- .75	- 5.5	14.00	13.00	23.50	11.75	340	.95	1.06	- 10.4	15.7	.14	1.1	—	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc	O	5.25	.00	.0	6.00	5.25	5.75	2.75	37	.21	.59	- 64.4	40.4	.00	.0	—	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods	M	10.50	.00	.0	10.63	10.38	16.25	8.00	25,324	7.51	7.27	3.3	25.6	.34	3.2		3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DiLites Of Amer	M	12.88	- 1.25	- 8.8	14.38	12.63	15.50	10.88	1,724	3.42	3.27	4.6	NM	.00	.0	—	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts	M	19.50	- .75	- 3.7	20.38	19.50	20.38	13.00	1,206	1.69	2.28	- 25.9	15.0	.24	1.2	—	3 mos.	01-85	140.7	589.7	2.6	13.0	.36	16.1	140.7	589.7	2.6	13.0	.36	16.1
El Chico	M	9.88	- .38	- 3.7	10.25	9.88	10.88	7.25	284	.61	1.69	- 63.9	12.7	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest	N	14.50	- .50	- 3.3	15.00	14.38	15.38	9.63	278	.25	.61	- 59.0	14.2	.00	.0	—	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Family Showtime	O	.38	.00	.0	0.63	0.38	1.63	.38	115	.33	.08	312.5	6.3	.00	.0	—	3 mos.	09-84	3.8	375.0	(.1)	NE	(.04)	NE	3.8	375.0	(.1)	NE	(.04)	NE
Fast Food Oper	O	.63	.00	.0	0.75	0.63	1.63	.63	49	.08	.49	- 83.7	8.9	.00	.0	—	9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes	M	6.88	- .13	- 1.8	6.88	6.63	9.13	5.13	983	1.41	2.71	- 48.0	NE	.00	.0	—	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Folks Rest	O	2.50	.00	.0	3.50	2.50	7.38	2.50	156	1.04	.20	420.0	NE	.00	.0	—	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.26)	- 100.0
Fresher Cooker	O	1.88	- .13	- 6.3	2.38	1.88	6.75	1.50	371	1.66	.78	112.8	NE	.00	.0	—	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's	A	20.38	.00	.0	20.38	20.25	20.88	12.38	126	.29	.20	45.0	17.3	.22	1.1	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc	M	7.00	- 1.38	- 16.4	8.00	6.38	15.13	6.63	4,804	7.35	4.57	61.7	NM	.00	.0		3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot	M	2.00	- .06	- 3.0	2.19	1.94	6.38	1.63	1,052	1.76	1.54	14.3	NE	.00	.0	—	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco	M	.69	.06	10.0	0.69	0.63	3.50	.25	103	.35	2.50	- 86.0	NE	.00	.0	—	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hamburg Hamlet	O	14.25	.00	.0	15.00	14.25	14.50	9.75	1	.01	.18	- 94.4	7.7	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger	M	5.25	- .25	- 4.5	5.25	4.88	7.00	3.63	328	1.14	2.07	- 44.9	27.6	.00	.0	—	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen	O	49.00	6.00	14.0	51.00	43.00	50.50	38.00	63	.32	.27	18.5	13.5	.00	.0	—	3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab	M	18.25	- .75	- 3.9	19.00	18.25	24.75	13.41	474	1.66	3.65	- 54.5	13.6	.00a	.0	—	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest	M	14.50	- .75	- 4.9	15.00	14.50	15.50	7.34	924	2.64	4.58	- 42.4	18.1	.16	1.1	—	6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc	M	19.00	- .50	- 2.6	19.00	18.75	19.50	13.50	3,903	2.47	3.59	- 31.2	13.8	.12	.6	—	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp	A	2.75	.38	15.8	2.88	2.38	3.88	1.13	193	.86	1.05	- 18.1	4.3	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl	M	16.00	- 1.75	- 9.9	17.13	15.50	29.63	13.50	3,411	4.83	1.69	185.8	9.6	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston	M	.44	.00	.0	0.56	0.25	6.25	.25	3,703	4.34	3.25	33.5	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Lifestyle Rest	A	2.25	- .25	- 10.0	2.50	2.25	3.75	1.75	184	.32	.61	- 47.5	NE	.00	.0	—	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Luby's Cafe	N	27.88	.25	.9	28.00	26.50	32.00	23.63	1,261	1.04	.52	100.0	18.3	.54	1.9	—	0 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp	O	16.25	- .88	- 5.1	16.88	16.25	17.13	11.88	106	.21	.31	- 32.3	10.6	.28	1.7	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp	N	82.50	- 2.88	- 3.4	84.88	82.25	87.75	60.00	1,900	.74	.66	12.1	15.9	.54	.7		fiscal	12-84	1122.2	18.3	43.8	41.3	1.64	47.7	3524.9	16.1	139.8	21.4	5.18	24.8
Maverick Rest	O	3.38	.13	3.8	3.50	3.25	6.25	2.25	90	.18	.34	- 47.1	42.2	.00	.0	—	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max Erma's	O	3.25	.00	.0	3.75	3.25	5.75	2.50	29	.16	.57	- 76.1	NE	.00	.0	—	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp	N	60.13	- 2.38	- 3.8	62.63	59.25	63.38	40.84	7,392	.86	.98	- 12.2	13.7	.82	1.4	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	388.1	13.6	4.39	14.6
McFaddin Ventures	M	11.00	.00	.0	11.00	11.00	12.25	9.63	93	.19	.51	- 62.7	16.2	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc	M	19.50	- .38	- 1.9	19.63	19.25	19.88	13.25	2,535	1.91	1.64	16.5	13.0	.48	2.5	—	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak	O	2.63	- .13	- 4.5	2.88	2.63	3.13	1.13	199	.42	1.09	- 61.5	NE	.00	.0	—	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express	O	1.00	.00	.0	1.13	1.00	2.50	1.00	207	.92	.81	13.6	NE	.00	.0	—	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.0	66.7	(.9)	NE	(.40)	NE
Nathans	O	3.88	.00	.0	4.00	3.88	4.50	1.78	121	.54	1.00	- 46.0	15.5	.00a	.0	—	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Noz Pizza	M	9.00	.00	.0	9.50	8.75	9.75	7.50	182	.33	.19	73.7	10.0	.00	.0	—	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Nuggles Inc	M	4.88	- .25	- 4.9	4.88	4.63	10.13	4.63	840	1.88	4.83	- 61.1	NE	.00	.0	—	6 mos.	12-84	27.5	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
Noble Roman	O	16.75	.00	.0	17.25	16.75	17.00	11.75	12	.20	.78	- 74.4	27.0	.00	.0	—	fiscal	12-84	4.4	51.7	.0	- 100.0	.06	- 60.0	17.8	53.4	.1	- 66.7	.24	- 61.3
1 Potato 2	O	1.75	.13	7.7	2.00	1.75	12.25	1.25	44	.20	.89	- 77.5	35.0	.00	.0	—	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC
Old Fashion Fd	M	5.00	.00	.0	5.00	4.50	6.25	4.00	60	.43	.35	22.9	10.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet	M	7.38	.25	3.5	7.50	7.13	8.25	6.00	2,989	8.05	6.74	19.4	13.2	.13	1.8	—	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest	M	.31	.00	.0	0.38	0.25	2.88	.25	3,276	3.80	3.22	18.0	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.38)	- 100.0
Piccadilly Caf	M	20.75	.25	1.2	21.00	20.50	24.25	16.50	422	.70	1.66	- 57.8	13.1	.60	2.9	—	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4

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NRN *STOCK INDEX*

Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*

Stock Market / Financial Update

Company and Market	Price: 5-03-85 Close	Price: Weekly Change Amt.	Price: Weekly Change Pct.	Price: Weekly Range High	Price: Weekly Range Low	Price: 52-Week Range High	Price: 52-Week Range Low	Volume: Weekly Shares Traded Total	Volume: Weekly Shares Traded % Out	Volume: 12-Week Avg. Vol. As % Out	Volume: Volume Trend Change	P/E Ratio	Indicated Div. Rate Amt.	Indicated Div. Rate Yld.	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended	Latest Quarter: Revenue Amt.	Latest Quarter: Revenue Chg.	Latest Quarter: Net Income Amt.	Latest Quarter: Net Income Chg.	Latest Quarter: E.P.S. Amt.	Latest Quarter: E.P.S. Chg.	Year-to-Date: Revenue Amt.	Year-to-Date: Revenue Chg.	Year-to-Date: Net Income Amt.	Year-to-Date: Net Income Chg.	Year-to-Date: E.P.S. Amt.	Year-to-Date: E.P.S. Chg.
	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	8.38	.13	1.5	8.50	8.13	12.75	6.88	207	.68	1.08	- 37.0	18.1	.08	1.0	....	fiscal	12-84	50.0	33.3	(.9)	- 100.0	(.29)	- 100.0	185.6	24.6	1.6	- 55.6	.52	- 54.8
Po-Folks M	10.50	- .50	- 4.5	11.00	10.50	16.63	8.75	164	.37	.87	- 57.5	15.0	.00	.0	....	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys N	11.88	- .38	- 3.1	12.38	11.25	21.63	11.25	1,585	1.65	2.35	- 29.8	6.9	.40	3.4	....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Prime Inc O	2.50	.00	.0	2.63	2.38	4.63	2.38	209	.62	.81	- 23.5	NE	.00	.0	....	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
RAX Restaurants M	9.25	- .25	- 2.6	9.50	9.00	16.38	8.00	391	.58	.72	- 19.4	22.6	.00	.0	....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	7.75	- .38	- 4.6	8.00	7.75	8.88	5.38	27	.10	.64	- 84.4	14.1	.00	.0	....	fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Restaurant Sys M	13.88	- .13	- .9	13.88	13.75	16.50	9.00	181	.78	1.29	- 39.5	15.6	.00	.0	....	fiscal	12-84	8.0	6.7	.5	25.0	.21	23.5	34.7	17.2	2.1	50.0	.89	23.6
Ritzys G D M	2.88	.00	.0	2.88	2.75	7.25	1.75	412	.79	.82	- 3.7	NE	.00	.0	....	fiscal	12-84	3.3	37.5	(2.7)	NC	(.52)	- 100.0	13.9	63.5	(4.3)	NE	(.83)	NE
Rusty Pelican M	16.25	.00	.0	16.38	16.00	18.25	11.00	470	1.66	.98	69.4	21.7	.00	.0	....	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak M	17.00	.50	3.0	17.00	16.25	17.75	11.25	773	1.12	1.31	- 14.5	30.9	.00	.0	....	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp N	27.00	- 1.50	- 5.3	28.50	26.75	35.50	26.75	1,249	.95	1.36	- 30.1	10.8	.52	1.9	....	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef O	7.00	.00	.0	7.50	7.00	9.00	6.75	42	.33	.89	- 62.9	12.3	.00	.0	....	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	9.00	.13	1.4	9.00	8.75	11.00	6.50	1,149	3.15	5.70	- 44.7	4.6	.00	.0	....	fiscal	12-84	17.9	- 1.6	2.4	NE	.59	- 71.5	66.2	- 9.3	7.7	NE	1.94	- 9.8
Shoney's Inc M	29.88	- .25	- .8	30.75	29.63	30.75	16.22	2,254	.80	1.42	- 43.7	26.2	.15	.5	....	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South M	14.00	.00	.0	14.13	13.88	16.59	11.09	1,583	2.82	1.12	151.8	11.2	.00	.0	....	fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp M	4.63	.13	2.8	4.63	4.00	7.25	3.25	111	.72	.49	46.9	NE	.00	.0	....	fiscal	12-84	2.3	53.3	(.1)	NC	(.10)	- 100.0	7.9	75.6	(.2)	- 100.0	(.15)	- 100.0
Sizzler Rest Intl M	20.50	.50	2.5	20.50	20.00	20.50	11.50	788	1.14	.97	17.5	14.7	.00	.0	....	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	10.13	- .25	- 2.4	10.38	10.13	12.50	8.00	273	1.00	1.81	- 44.8	10.9	.06	.6	....	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality M	5.25	- .38	- 6.7	5.63	5.13	5.88	3.75	1,198	2.40	3.18	- 24.5	15.0	.00	.0	....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face O	1.00	- .03	- 3.0	1.06	1.00	1.44	.75	1,563	1.03	.80	28.8	100.0	.00	.0	....	fiscal	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	2.13	.00	.0	2.38	2.13	3.63	1.88	93	.29	.66	- 56.1	NE	.00	.0	....	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa O	6.25	- .25	- 3.8	6.75	6.25	7.75	4.75	79	.20	.33	- 39.4	20.8	.00	.0	....	fiscal	12-84	7.1	10.9	.3	.0	.07	- 12.5	28.6	12.2	1.2	9.1	.30	- 3.2
Taco Viva M	6.50	.00	.0	6.50	6.38	7.50	4.66	385	1.07	1.20	- 10.8	19.1	.00	.0	....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	11.00	- .50	- 4.3	11.50	10.88	13.13	7.88	460	.40	.62	- 35.5	16.4	.00	.0	....	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas O	2.25	.00	.0	2.75	2.25	3.75	2.25	18	.12	.13	- 7.7	NE	.00	.0	....	fiscal	12-84	3.2	33.3	(.2)	NC	(.12)	- 100.0	11.5	27.8	(.5)	NC	(.32)	- 100.0
Transworld N	32.63	- .50	- 1.5	33.25	32.25	37.63	24.50	3,700	1.13	2.16	- 47.7	10.4	.48	1.5	....	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes M	4.88	- .25	- 4.9	5.13	4.75	5.75	2.75	802	1.28	4.13	- 69.0	12.2	.28	5.7	....	3 mos.	12-84	4.6	43.8	.4	33.3	.07	40.0	4.6	43.8	.4	33.3	.07	40.0
Vicorp Restaurants M	24.50	- .38	- 1.5	24.75	23.75	26.88	13.25	1,175	1.77	4.30	- 58.8	18.4	.12	.5	....	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations M	3.38	- .38	- 10.0	3.75	3.38	7.38	2.13	342	.96	2.72	- 64.7	NE	.00	.0	....	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	16.13	- .63	- 3.7	17.00	15.50	17.75	10.78	14,512	1.98	1.79	10.6	16.8	.21	1.3	....	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer O	9.00	.00	.0	10.50	9.00	12.00	9.00	10	.08	.38	- 78.9	15.8	.20	2.2	....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp N	7.38	- .50	- 6.3	7.88	7.00	13.38	5.13	318	.71	1.86	- 61.8	19.9	.00	.0	....	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.38	- .38	- 13.6	2.75	2.38	5.63	2.38	941	.71	.74	- 4.1	NE	.10	4.2	....	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels N	65.13	- 3.00	- 4.4	70.00	65.00	73.50	45.50	7,972	3.22	2.52	27.8	14.3	1.80	2.8	....	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns N	53.00	- .88	- 1.6	53.75	52.25	54.88	35.25	4,497	1.29	1.93	- 33.2	14.8	1.00	1.9	....	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn N	26.38	- 1.25	- 4.5	28.00	26.25	28.50	13.50	1,836	.95	.91	4.4	25.6	.09	.3	....	6 mos.	12-84	67.8	321.1	5.5	37.5	.28	33.3	115.7	256.0	11.3	31.4	.58	28.9
Ramada Inns N	7.38	- .25	- 3.3	8.13	7.38	8.25	5.13	7,105	1.91	1.98	- 3.5	56.7	.00	.0	....	fiscal	12-84	151.7	13.0	(2.1)	- 100.0	(.05)	- 100.0	598.1	4.6	4.7	11.9	.13	.0
Servico Inc M	19.88	- .13	- .6	20.50	19.50	22.28	13.63	147	.42	.38	10.5	11.0	.00a	.0	....	fiscal	12-84	42.8	8.4	.1	- 90.9	.00	- 100.0	181.9	20.5	6.3	70.3	1.80	66.7
Sonesta Intl M	24.63	.63	2.6	26.50	24.00	27.00	18.00	30	.20	.10	100.0	7.2	.40	1.6	....	fiscal	12-84	17.7	- 1.1	5.9	NE	3.83	NE	74.9	2.0	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev M	18.38	- 1.63	- 8.1	19.13	17.50	22.63	13.50	2,015	3.36	2.71	24.0	11.1	.40	2.2	....	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut N	8.13	.00	.0	8.25	7.63	13.22	7.25	449	.95	1.33	- 28.6	NM	.48	5.9	....	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	77.00	- 1.13	- 1.4	78.00	74.38	81.13	45.25	3,946	1.19	1.45	- 17.9	53.5	1.20	1.6		6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Esteban Foods O	2.00	- .25	- 11.1	2.25	2.00	3.13	1.13	85	.36	.84	- 57.1	22.2	.00	.0	....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	52.88	- 1.00	- 1.9	54.25	52.00	60.63	47.75	11,614	2.62	1.61	62.7	31.3	2.24	4.2	....	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	39.00	- .63	- 1.6	39.63	38.50	44.50	36.50	6,505	1.34	1.04	28.8	10.3	2.80	7.2	....	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart A	11.25	.88	8.4	11.75	10.25	17.72	8.63	4,154	3.36	1.37	145.3	15.8	.00a	.0	....	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	29.63	- .75	- 2.5	30.25	29.13	31.88	24.13	1,836	.97	.79	22.8	14.5	1.80	6.1	....	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc N	53.25	.00	.0	55.00	52.75	55.25	39.63	19,728	2.06	1.90	8.4	14.5	1.68	3.2		fiscal	12-84	2272.7	- 1.4	89.6	16.1	.95	15.9	7698.6	8.5	348.6	22.7	3.67	21.9
Pillsbury Co N	46.50	- 1.13	- 2.4	47.63	44.75	49.50	34.50	4,580	1.05	.91	15.4	10.5	1.56	3.4	....	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France M	11.75	.13	1.1	11.75	11.38	15.25	10.50	873	.81	.97	- 16.5	19.3	.23	2.0	....	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FINANCIAL NEWS

SPOTLIGHT ON FINANCE

SBA lending may hurt business more than it helps

By Rick Telberg

The nation's restaurant industry seems to have more at stake in the planned emasculation of the U.S. Small Business Administration than any other business. But opposition from restaurant operators to the Reagan Administration plan to dismantle the S.B.A. is noticeably muted.

"There isn't a lot of support for the S.B.A.," said Ron Sarasin, Government affairs director for the National Restaurant Association in Washington.

"For those restaurateurs that have been involved with the S.B.A., it is very important," Sarasin said. "But the S.B.A. touches barely 1% of the industry."

Last year the S.B.A. extended $328.8 million in credits, either direct loans or loan guarantees, to 1,794 of the nation's 163,091 restaurant companies. No other category of business scored more.

Last year was no exception. Since 1978, the S.B.A. has lent or backed loans for $1.8 billion to 12,738 restaurant companies. No other category garnered even a third of that.

Although the Reagan Administration has proposed saving the S.B.A. as an independent agency, budget cutters would kill $3.3 billion-a-year lending programs.

"Without the S.B.A.," Missouri restaurateur William Saigh told the Senate Small Business Committee, "the undercollateralized budding entrepreneur has nowhere to turn." Saigh was turned down by 17 banks. His $50,000 S.B.A. loan helped him develop a five-unit chain of Lettuce Leaf restaurants in St. Louis and Kansas City.

The main S.B.A. functions that would remain are procurement, aiding companies seeking Government contracts, and advocacy, representing small-business interests before other Federal agencies and Congress.

Sen. Lowell Weicker (R-Conn.) is leading a drive to save the agency's venture-capital programs by creating a new, Federally chartered corporation for small business investment, which has some merit. But venture capital remains an insignificant factor in restaurant financing.

The Reagan Administration figures $3 billion to $5 billion could be trimmed from the budget over the next three years by curtailing the 4,200-employee S.B.A. Though the saving is only a drop in the $200 billion-a-year bucket of deficits, the Administration seems to have touched a free-market nerve among businessmen who resent Government-aided competition.

S.B.A. Loans, Administration budget director David Stockman testified, "help an infinitesimal fraction of small businesses compete with other small businesses in the same trade."

Almost 17,000 new restaurant firms are born every year. "Marketplace opportunities for profit and independent entrepreneurship," Stockman said, "rather than subsidized credit, drive the staggering outpouring of new firms in this business line."

"Only one conclusion can be drawn," Stockman said. "Current S.B.A. spending levels have virtually no impact on new business formation rates but run a significant risk of incurring losses for no valid public purpose."

Even the S.B.A.'s defenders admit the agency runs tremendous loss ratios. Roughly 25% of its direct loans default. And about 10% of the guaranteed loans turn bad. The average bank is in trouble with a 2% or 3% loss ratio.

Some of the losses can, of course, be traced to the nature of the borrowers, borrowers with ventures so risky that at least three banks have already turned them down.

But the result is that 99% of the nation's restaurateurs who do not tap the S.B.A. find themselves challenged by a Government-subsidized competitor—a competitor who may not have been allowed to open without the S.B.A., is more prone to failure and is more likely to undercut legitimate operators. Ironically, the S.B.A. may hurt more small businesses than it helps.

"Our official position," said the NRA's Sarasin, "is that the S.B.A. ought to stay. But Stockman does make a very persuasive argument."

* * *

STOCK-PICKER'S PICKS: Michael Culp at Prudential-Bache in New York has restored his top rating for Jerrico (recent price: $18). Weather was to blame for depressed March-quarter earnings, he said. But sales are snapping back with new products, and expansion is set to accelerate, he explained.

Downside risk is minimal, he said, about $16. Upside potential? Well, the value of the company's poison pill adopted last year goes automatically from $32 per share to $35.20 this summer.

Ponderosa's profit drops 31%

DAYTON, Ohio — Citing a money-losing final quarter, Ponderosa Inc. closed fiscal 1985 on Feb. 28 with $8.4 million in net profit, a 31% slide from 1983's figure. Revenue rose 20%, to $513.3 million.

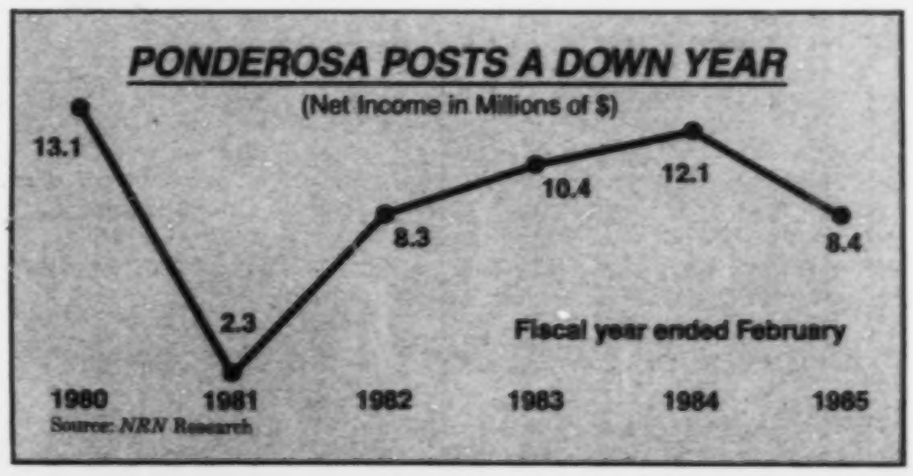
The company lost $3.1 million in the fourth quarter, compared with a $3.5 million net profit the year before. Fourth-quarter sales edged up 2%, to $146.6 million.

The company said the final quarter was hurt by bad weather and "a greater summer-to-winter seasonal decline from the company's new salad and buffet sales."

Fourth-quarter traffic counts fell 12% from those of the year before, and unit-level sales were down 7%. For the year customer traffic was up 7%, and average checks were up 10%.

The company said it is working on new products and programs that may produce results later this year.

There were 433 Ponderosa steakhouses and 20 Casa Lupita Mexican dinnerhouses at year-end. Last year there were 658 Ponderosas and nine Casa Lupitas.



Pizza Hut licensees play leapfrog

By Don Jeffrey

Who's the biggest Pizza Hut franchisee?

Just as in a tight pennant race, the standings keep changing month after month, as two publicly owned franchise companies leapfrog over each other in a friendly rivalry.

Until January, Tulsa-based A & M Food Services was in the lead, with about 100 units.

Last month Kansas-based National Pizza Co. pulled way ahead with 134 units after acquiring a smaller franchisee.

Now this month A & M is back in front with 149 units, after purchasing 49-unit Iowa-based franchisee El Kram for about $15 million in assets, stock, cash and notes.

Next month? Could be National Pizza Co. on top again. Chief financial officer James Melillo said, "We'd like to close on an acquisition. We're beyond the looking stage."

Melillo described all the leapfrogging as a "positive, fun rivalry."

A & M's president William Ferril echoes that sentiment. "We're good friends," he said, and then added, "I have to admit it feels good to be the largest in a system as dynamic as this."

Even if it's only for a month.

A & M expects to make El Kram a wholly owned subsidiary at the end of this month. Larry Kreigh, who started El Kram, will remain as president. Its sales for the year were $19.5 million.

A & M, in its first quarter, ended March 19, registered a 22% sales increase, to $7.8 million, and a 14% net profit rise, to $292,000, compared with the figures for the same period last year. National Pizza Co., in its third quarter, ended Dec. 25, had a 14% sales gain, to $9.9 million, and a slight increase in net profit, to $851,000.

NRN FINANCIAL DIGEST

Wendy's net rises to $14.5M

DUBLIN, Ohio — Wendy's International said net profit for the first quarter ended March 31 was $14.5 million, up 11.5% from the year-ago quarter's figure. Revenue rose 15%, to $236.5 million. Weather hurt, Wendy's said.

Pizza Hut, Taco Bell slow

PURCHASE, N.Y. — PepsiCo Inc., reporting the first quarter ended March 23, said its combined Pizza Hut and Taco Bell operations raised operating profit 5% from the year-ago quarter figure on a 17% sales gain. Real sales were up 4% on an 8% sales-per-unit rise. Higher promotional spending and bad weather slowed earnings gains, PepsiCo said.

Diversifoods' income plummets

ITASCA, Ill. — Diversifoods Inc. said net income for the first quarter ended March 31 fell 76% from the prior-year quarter's figure, to $1.3 million. Revenue rose 2%, to $128.2 million.

The company cited increased interest expense, reduced capital-gains income and losses at Godfather's Pizza and Luther's Bar-B-Q restaurants.

T.G.I. Friday's profit up 11%

DALLAS — T.G.I. Friday's said net income for the first quarter ended April 1 rose 11% from the year-ago quarter's figure, to $3.4 million, on a 17% revenue rise to $76.3 million.

Sea Galley's revenue shrinks

MOUNTLAKE TERRACE, Wash. — Operating with five fewer restaurants than it had a year ago, Sea Galley Stores Inc. said net income for the first quarter ended March 24 fell 6%, to $1.98 million, as revenue shrank 9%, to $14.6 million. Earnings per share rose 4¢, to 57¢, as the result of a buyback program.

Flakey Jake's posts 1st-qtr. loss

MOUNTLAKE TERRACE, Wash. — Flakey Jake's Inc. lost $515,000 in the first quarter ended March 24, compared with a $130,000 deficit in the year-ago quarter. Revenue rose to $5.3 million from $1.6 million. There are 31 Flakey Jake's hamburger restaurants.

BURGER KING BEEFS UP WHOPPER

Chain will spend $300 million in upscale marketing push

By Mark Schoifet

MIAMI — Burger King is poised to enlarge its Whopper burger as part of a bold upscale marketing thrust that includes a blockbuster $300 million outlay to redesign more than 3,000 units, *Nation's Restaurant News* has learned.

The dramatic change in Burger King's signature item is consistent with a sweeping new strategy that appears designed to reposition the chain a niche above archrival McDonald's.

One source in the 4,000-unit chain said the Whopper is being altered to "increase the level of quality." But another source said the move is "in response to the competition," probably referring to Wendy's, which views itself in a position above McDonald's and Burger King, and a host of new burger chains, such as Fuddruckers and Flakey Jake's.

Meanwhile, *NRN* has also learned that J. Walter Thompson, Burger King's advertising agency, is preparing an aggressive summer campaign that may be tied to the new Whopper. "We're working on a major secret project," said Daniel Katsin, the agency's supervisor for the Burger King account.

Burger King president Jay O. Darling declined several requests for comment.

The Whopper, Burger King's best-selling menu item, consists of a 3.6-oz. cheeseburger topped with lettuce, tomato, pickles, onions and sauce and served on a soft bun.

The highlights of Burger King's new marketing plan include:

- Changing plastic seats and tables to wood and replacing plastic room dividers with hanging plants. The remodeled units will be framed by greenhouse-style windows.
- Phasing out the comparative advertising approach, which has worked well for the chain since September 1982, in favor of a more positive plan.

*(See **BK**, page 231)*

Nation's Restaurant News®

NRA SHOW ISSUE

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Groups forge new markets

Operators shunning cookie-cutter route

By Paul Frumkin

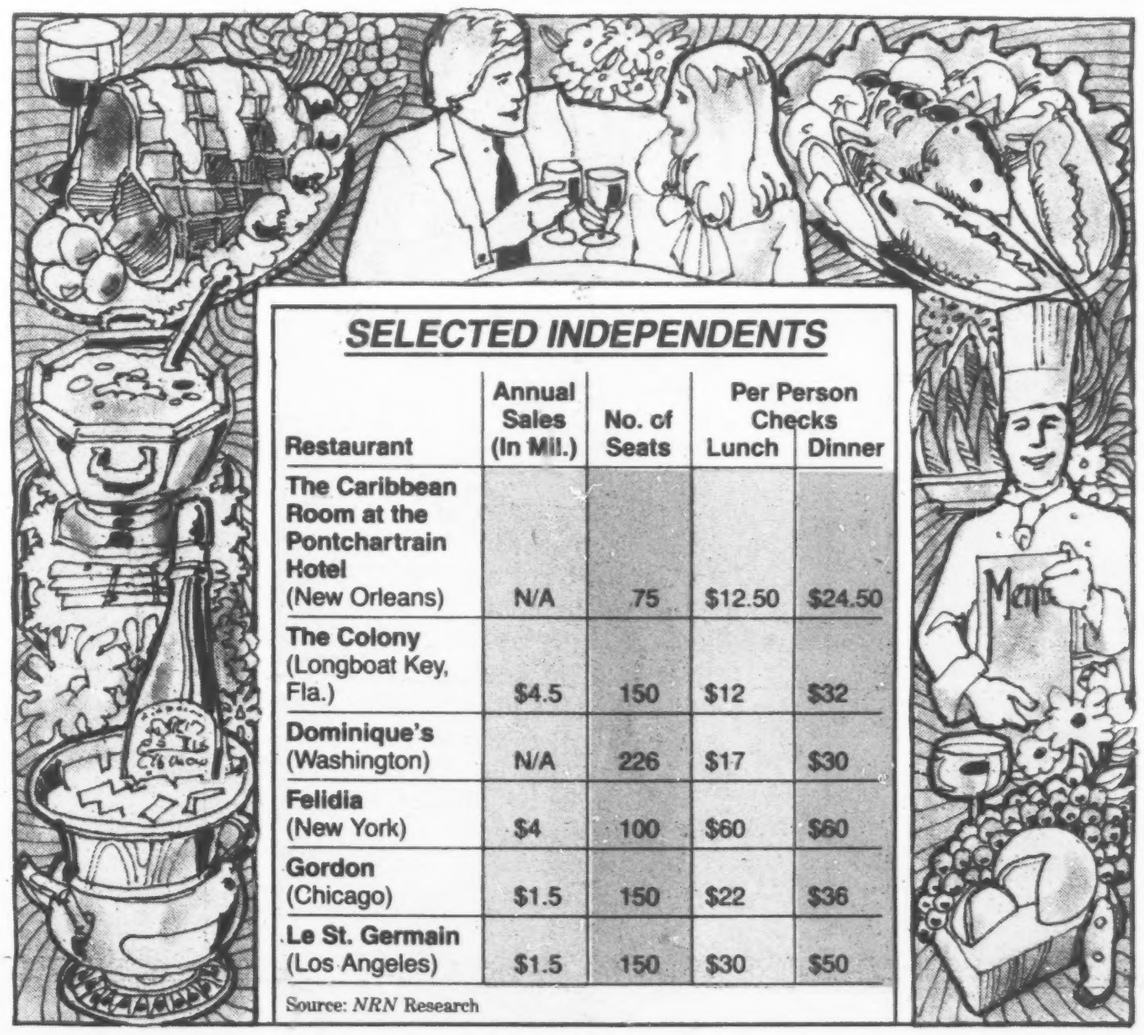
Swiftly growing independent restaurant groups are attracting industry attention by merchandising to a broad spectrum of tastes with a number of highly individualized concepts.

And rather than attempting to build sprawling mass-market chains that stretch from coast to coast, those groups have staked out various segments in the regions they know best.

Groups such as Shooting Starts in Philadelphia, Ark Management in New York, Big Four Restaurants in Phoenix and Restaurants Unlimited in Seattle are *not* seeking to be all things to all people.

"There's no mass market anymore," said Ray Lindstrom, president of the

*(See **HYBRID**, page 22)*



SELECTED INDEPENDENTS

Restaurant	Annual Sales (In Mil.)	No. of Seats	Per Person Checks Lunch	Dinner
The Caribbean Room at the Pontchartrain Hotel (New Orleans)	N/A	75	$12.50	$24.50
The Colony (Longboat Key, Fla.)	$4.5	150	$12	$32
Dominique's (Washington)	N/A	226	$17	$30
Felidia (New York)	$4	100	$60	$60
Gordon (Chicago)	$1.5	150	$22	$36
Le St. Germain (Los Angeles)	$1.5	150	$30	$50

Source: *NRN* Research

Casual trend gains ground

New ideas challenge many independents

By David Zuckerman

With the emergence of American-trained chefs and a new and highly sophisticated customer base, the once-solid underpinnings that have characterized the fine-dining scene in the United States for decades are beginning to wear thin.

A host of innovative concepts, featuring multiethnic cuisines, unstructured menus and fresh regional ingredients, are combining to put the squeeze on traditional, European-dominated establishments.

Among the latest victims in that changing environment is Narsai's in Berkeley, Calif., where owner Narsai David has for 13 years maintained a rigid adherence to classical French cui-

*(See **TRENDS**, page 231)*

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Horn & Hardart, Diversifoods begin preliminary merger talks

By Don Jeffrey

NEW YORK — Horn & Hardart is holding preliminary discussions with Diversifoods about a possible merger of the two publicly owned food-service companies.

The disclosure, contained in a recent amended Securities and Exchange Commission filing, puts a new slant on speculation that a partnership formed by Horn & Hardart's chairman Barry Florescue was planning to take over financially troubled Diversifoods.

Horn & Hardart president John Gerlach said the recent discussions "take a step in a different direction." He said he could not comment on any speculations.

Industry analysts have said Horn & Hardart, a 12-unit Burger King franchisee, seeks to take control of Diversifoods' most profitable properties: its 377 franchised and subfranchised Burger Kings and its 56 Chart House dinnerhouses.

One analyst added that

*(See **MERGER**, page 17)*

DIVERSIFOODS
Itasca, Ill.
Total revenue: $554.4 million (year ended 12/31/84)
Total operating profit: $49.4 million
Net profit: $18.2 million
Restaurants (12/31/84):
Burger King: 378 (274 operated, 104 subfranchised)
Godfather's: 895 (237 company owned)
Luther's: 68 (34 company owned)
Chart House: 55
Moxie's: 9
Chairman: William Trotter II
President: John M. Creed

HORN & HARDART
New York, N.Y.
Food-service revenue: $135.9 million (year ended 12/29/84)
Total revenue: $363.8 million
Food-service operating profit: $14.2 million
Total operating profit: $17.9 million
Net profit: $9.5 million
Restaurants (12/29/84):
Bojangles': 328 (143 company owned)
Burger King: 12 (franchised)
Arby's: 23 (franchised)
Other: 12
Chairman, ceo: Barry Florescue
President: John T. Gerlach